



**Office of the Attorney General  
Paul G. Summers**

**Department of Commerce and Insurance  
Commissioner Anne Pope**

**CONSUMER ALERT**

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**DON'T BE FOOLED BY CREDIT "REPAIR" CLAIMS**

If you've ever considered hiring a company to "repair" your credit problems, think again before you spend any money, says Tennessee Attorney General Paul G. Summers.

Summers, who this week in conjunction with National Consumer Protection Week launched a public service announcement on credit repair, suggests consumers first do a little research to learn the best way to clear up credit problems.

"There's no reason to spend your hard-earned money to hire someone to do something you can do yourself," Summers said. "Don't fall for the claims some of these companies make. Not only is it a waste of time, it may be illegal."

The Attorney General noted that no one can legally establish a new credit identity as some companies claim. It is against state and federal laws to deliberately change your identity to hide debts. Only inaccurate information can be removed from your credit report.

Dave McCollum, director of the Tennessee Division of Consumer Affairs pointed out another pitfall consumers might face dealing with credit repair companies. "Be aware of any company that

encourages you to take on multiple lines of new credit to overshadow the negative credit you have. Getting in debt to solve credit problems is not the answer.”

The first step in most cases is to contact all the Consumer Reporting Agencies (CRAs) to determine who has information on your credit history file. CRAs sell credit information about you to creditors, employers, insurers and other businesses. The Fair Credit Reporting Act requires such businesses to tell you everything in your report if you ask for it and there is usually little or no charge to obtain a copy of your report.

The Attorney General’s Office and Division of Consumer Affairs suggest you beware of any company that:

- \*Requires you to pay in advance for their services or to make a hasty decision. Take your time and read all the information on credit repair before you pay.

- \*Only offers a P.O. Box number and refuses to give out a street address. It could be a “fly-by-night” company that stays in town only long enough to collect your money and leave.

- \*Recommends you not speak directly with a credit bureau.

- \*Advises you to dispute all the information in your credit report or take any action that appears to be illegal such as creating a new credit identity. You could be subject to prosecution--regardless of whether you knew it was illegal.

To find out more about the Fair Credit Reporting Act, contact the Federal Trade Commission at 1-877-FTC-HELP. To file a complaint about credit repair, contact the Tennessee Division of Consumer Affairs at 500 James Robertson Parkway, Fifth Floor, 37243-0600. For more information on the Attorney General public service announcement regarding credit repair, call 615-741-5860.